

06/34/

CONFIDENTIAL

FRP: 92, , , , ,

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## BOOK CABLE

1. THE FOLLOWING STATEMENT WAS ISSUED TO THE PRESS IN WASHINGTON THIS MORNING:

"MR. MAX HUGEL, CIA'S DEPUTY DIRECTOR FOR OPERATIONS, TODAY TENDERED HIS RESIGNATION. MR. HUGEL SAID THAT HE HAD CONCLUDED THAT, ALTHOUGH ALLEGATIONS MADE WITH RESPECT TO CERTAIN BUSINESS ACTIVITIES SEVEN YEARS AGO ARE UNFOUNDED AND UNTRUE, THE ALLEGATIONS HAVE BECOME A BURDEN WHICH HE BELIEVES IS NO LONGER FAIR TO IMPOSE ON THE AGENCY AND THE MEN AND WOMEN WHO HAVE WORKED WITH HIM. MR. HUGEL WISHES TO EMPHASIZE THAT THE ALLEGATIONS AGAINST HIM CONCERN HIS PRIVATE LIFE AND HAVE NO CONNECTION WHATSOEVER TO HIS ASSOCIATION WITH CIA OR TO ITS ACTIVITIES."

2. IN SUBMITTING HIS RESIGNATION TO THE DCI, MR. HUGEL STATED THE FOLLOWING:

"AS YOU KNOW, SINCE I WAS APPOINTED DEPUTY DIRECTOR FOR OPERATIONS I HAVE BEEN THE SUBJECT OF REPEATED UNFAVORABLE ARTICLES OF THE PRESS, THE MOST RECENT ONE BEING THIS MORNING. THESE ALLEGATIONS, ALTHOUGH UNFOUNDED, UNPROVEN AND UNTRUE, HAVE BECOME A BURDEN WHICH I NO LONGER BELIEVE IS FAIR TO IMPOSE ON THE ADMINISTRATION, THE AGENCY, MY FAMILY, AND THE SPLENDID MEN AND WOMEN WHO WORK WITH ME. ACCORDINGLY, WITH DEEPEST REGRET AND SORROW I HEREBY TENDER MY RESIGNATION EFFECTIVE AS OF THE CLOSE OF BUSINESS TODAY.

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I WANT YOU TO KNOW HOW APPRECIATIVE I AM FOR THE OPPORTUNITY YOU HAVE PROVIDED ME TO SERVE MY COUNTRY. HOWEVER, UNDER PRESENT CIRCUMSTANCES I FEEL I CAN NO LONGER EFFECTIVELY SERVE YOU OR THE AGENCY. ALTHOUGH I AM RESIGNING, I WANT YOU TO KNOW THAT I AM AVAILABLE FOR ANY FUTURE ASSIGNMENT IN WHICH YOU BELIEVE I CAN BE OF HELP."

3. THE DCI WITH DEEPEST REGRETS ACCEPTED MR. HUGEL'S RESIGNATION. THE DIRECTOR HAS APPOINTED MR. JOHN STEIN AS THE DDD EFFECTIVE 14 JULY.

4. THIS MESSAGE SHOULD BE DESTROYED AS SOON AS IT HAS BEEN COMMUNICATED TO YOUR PERSONNEL. ALL CONFIDENTIAL. RVN 14JUL01.

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END OF MESSAGE

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